UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress ¹

[Date approved: December 13, 2005]²

Bill No. and sponsor: H.R. 1992 (Mr. Doc Hastings of Washington).
Proponent name, location: Bayer CropScience, Research Triangle Park, NC.
Other bills on product (109th Congress only): None.
Nature of bill: Temporary duty suspension through December 31, 2009.
Retroactive effect: None.
$Suggested\ article\ description (s)\ for\ enactment\ (including\ appropriate\ HTS\ subheading (s)):$
6,7,8,9,10,10-Hexachloro-1,5,5a,6,9,9a-hexahydro-6,9-methano-2,4,3-benzodioxathiepin-3-oxide (Endosulfan) (CAS No. 115-29-7) (provided for in subheading 2920.90.50).
Check one: Same as that in bill as introduced. Different from that in bill as introduced (see Technical comments section).
Product information, including uses/applications and source(s) of imports:
This chemical is used to make insecticides that are applied to fruits and grains. It is imported from

Germany.

¹ Industry analyst preparing report: Larry Johnson (202-205-3351); Tariff Affairs contact: David Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

Estimated effect on customs revenue:

HTS subheading: <u>2920.90.50</u>						
\searrow	2005	2006	2007	2008	2009	
Col. 1-General rate of duty	3.7%	3.7%	3.7%	3.7%	3.7%	
Estimated value <i>dutiable</i> imports	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	
Customs revenue loss	\$37,000	\$37,000	\$37,000	\$37,000	\$37,000	

Source of estimated dutiable import data: Industry estimates.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?
		(Yes/No)		
Bayer CropScience (Proponent) Mike Gill, 202-508-8843	09/12/2005 09/15/2005	No	No	No
Atofina Cerex Charles Kitchin, Fax: 703-527-2092	09/12/2005	No	No	No
BASF Corp. Greg Thies, Fax: 202-558-5101	09/12/2005	No	No	No
Crop Life America Lawrence Norton, Fax: 202-463-0474	09/12/2005	No	No	No
Dow Chemical/Dow Agro Science Lisa Schroeter, Fax: 202-429-3467	09/12/2005	No	No	No
DuPont Nancy Johnson, Fax: 202-728-3649	09/12/2005	No	No	No
FMC Corp. Jerry Prout, Fax: 202-956-5235	09/12/2005	No	No	No
LANXESS Corp. James Schaeffer, Fax: 412-809-3614	09/12/2005	No	No	No
Monsanto Corp. Michael Parrish, Fax: 202-789-1867	09/12/2005	No	No	No

Syngenta Mike Blythe, Fax: 336-632-6084	09/12/2005	No	No	No
Valent USA Robin Demouth, Fax: 925-256-2776	09/12/2005	No	No	No

Technical comments:³

The Commission notes that HTS heading 9902.05.18 had provided a duty suspension for this chemical. However, a classification ruling by Customs has resulted in the chemical becoming ineligible for the duty suspension. The Commission suggests that the new duty suspension for endosulfan be enacted using heading number 9902.05.18. The Commission suggests that the word "Endosulfan" be inserted in lieu of "thiosulfan" in the article description of heading 9902.05.18 and that HTS subheading "2920.90.50" be inserted in lieu of "2920.90.10". The Commission also suggests that the word "Free" in the proposed special subcolumn be changed to "No Change".

The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

109TH CONGRESS 1ST SESSION

H. R. 1992

To suspend temporarily the duty on endosulfan.

IN THE HOUSE OF REPRESENTATIVES

APRIL 28, 2005

Mr. Hastings of Washington introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend temporarily the duty on endosulfan.

1	Be it enacted by the Senate and House of Representa-							
2	tives of the United States of America in Congress assembled,							
3	SECTION 1. ENDOSULFAN.							
4	(a) In General.—Subchapter II of chapter 99 of							
5	the Harmonized Tariff Schedule of the United States is							
6	amended by inserting in numerical sequence the following							
7	new heading:							
		Hexachlorohexahydromethano-2,4,3-benzodioxathlepin-3-oxide (CAS No. 115–29–7) (provided for in subheadings 2904,90.50 and 3808.30.15)	Free	Free	No change	On or before 12/31/2009	".	

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) applies with respect to goods entered, or
- 3 withdrawn from warehouse for consumption, on or after

4 the 15th day after the date of enactment of this Act.

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